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**S.F. No. XXXX - Transportation Funding and Policy  
Omnibus Bill**

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**ARTICLE 1**  
**TRANSPORTATION AND OTHER AGENCIES APPROPRIATIONS**

**Section 1. TOTAL TRANSPORTATION APPROPRIATIONS.**

**Section 2. TRANSPORTATION DEPARTMENT APPROPRIATIONS.**

**Subdivision 1. Total MnDOT Appropriations.** Contains the total appropriations to the department of transportation by fund.

**Subd. 2. Multimodal Systems.**

(a) Aeronautics. Appropriates \$20.395 million in FY04 and FY05 for aeronautics.

(b) Transit. Appropriates \$16.957 million in FY04 and \$16.958 million in FY05 for Greater Minnesota transit.

(c) Freight. Appropriates \$1.569 million in FY04 and FY05 for freight purposes. Requires \$2.5 million each year to be transferred from the rail service improvement account in the special revenue fund to the debt service fund.

(d) Commercial Vehicles. Appropriates \$3.627 million in FY04 and FY05 for commercial vehicle purposes.

### **Subd. 3. State Roads.**

(a) Infrastructure Investment and Planning. Appropriates \$781.069 million in FY04 and \$778.632 million in FY05 for infrastructure investment and planning. Specifies that this is a reduction of \$8.75 million each year from the budget base and specifies where the reductions must be allocated. Specifies that \$594.707 million each year is for state road construction and that \$275 million of this amount is from federal highway aid. Requires the commissioner to notify the chairs of the Senate and House of Representatives transportation budget divisions of significant changes in these estimates. Allows the commissioner to transfer \$15.0 million each year to the trunk highway revolving loan account. Specifies that \$29.724 million in FY04 and \$27.287 million in FY05 is for highway debt service.

(b) Infrastructure Operations and Maintenance. Appropriates \$209.641 million in FY04 and FY05 for infrastructure operations and maintenance. Specifies that this is a reduction of \$5.6 million each year from the budget base and specifies where the reductions must be allocated. Prohibits budget base reductions from being allocated to expenditures for snow and ice removal, road maintenance, rest areas, pavement striping, highway helper or road equipment.

(c) Electronic Communications. Appropriates \$4.990 million in FY04 and FY05 for electronic communications.

### **Subd. 4. Local Roads (state-aid systems).**

(a) Appropriates \$426.020 million in FY04 and \$433.631 million in FY05 from the county state-aid highway fund for distribution to counties.

(b) Appropriates \$112.290 million in FY04 and \$114.661 million in FY05 from the municipal state-aid fund for distribution to cities.

### **Subd. 5. General Support and Services.**

(a) Department Support. Appropriates \$38.653 million in FY04 and FY05 for department support.

(b) Buildings. Appropriates \$17.777 million in FY04 and \$13.327 million in FY05 for building needs. Specifies that in FY04, \$4.45 million is to design, construct, furnish and equip a building in Pennington county for the joint use of the departments of transportation, public safety and natural resources and Pennington county.

**Subd. 6. Trunk Highway Bond Refinance.** Appropriates \$110.0 million in FY03 from the bond proceeds account in the trunk highway fund for road construction as specified in Laws 2000, chapter 479, article 1, section 2. Cancels a \$110.0 million appropriation from the general fund for the same purpose.

**Subd. 7. Transfers.**

(a) Allows the commissioner to transfer unencumbered fund balances among the appropriations for the trunk highway fund and the state airports fund. Specifies that no transfers may be made from the state road construction or debt service appropriations or between funds. Prohibits transfers between programs if the transfer would result in a net loss of positions.

(b) Requires the Commissioner of Finance to transfer \$14.4 million in FY04 and \$8.3 million in FY05 from the flexible account in the county state-aid highway fund to the municipal turnback account and the remainder in each year to the county turnback account.

**Subd. 8. Use of State Road Appropriations.** Specifies that money appropriated for state road construction for any fiscal year before FY04 is available during FY04 and FY05 provided the money is spent on the project for which the money was originally encumbered during the fiscal year for which it was appropriated.

**Subd. 9. Contingent Appropriation.** Allows the commissioner, with approval by the Governor, to transfer all or part of the balance in the trunk highway fund to an appropriation (1) for trunk highway design, construction, or inspection in order to take advantage of an unanticipated receipt of income or federal advance construction funding, (2) for trunk highway maintenance in order to meet an emergency, or (3) to pay tort or environmental claims. Specifies that prior to making a transfer for the purpose of using federal advance construction funding, the commissioner must submit a report to the chairs of the senate and house of representatives committees with jurisdiction over transportation policy and finance that includes an analysis of the effects on the long-term trunk highway fund balance and the cash flow of the fund.

**Subd. 10. Budget Base Reduction Report.** Requires the Commissioner of Transportation to report to the chairs of the senate and house of representatives committees with jurisdiction over transportation policy and finance by December 15 each year, regarding the distributions and impacts of the base budget reductions. Requires the report to include a description of program activities with reduced spending levels and the impacts on the department's performance. The report must identify the total number of positions which were reduced or eliminated, the number of positions reduced

from each bargaining unit represented by the department and the impact on women and minorities and the department's affirmative action goals.

**Subd. 11. Prohibition on Spending.**

(a) Prohibits the commissioner from assigning mobile telephones or pagers to department employees and from spending state funds on the maintenance, acquisition, operation, or repair of this equipment. Requires the commissioner to cancel existing contracts for service or operation of mobile telephones and to sell the equipment at its fair market value.

(b) Prohibits the commissioner from assigning passenger automobiles to department employees and from expending state funds on the maintenance, acquisition, operation, or repair of this equipment. Requires the commissioner to cancel existing contracts relating to these vehicles and to sell the vehicles at fair market value and deposit all proceeds in the trunk highway fund.

(c) Prohibits the commissioner from expending state funds on travel out of state, or for travel within the state, when the travel is for the purpose of attending a convention, conference, seminar or meeting sponsored by an organization other than the department.

**Section 3. METROPOLITAN COUNCIL TRANSIT.** Appropriates \$61.533 million in FY04 and \$63.733 million in FY05 from the general fund for metropolitan transit.

(a) Specifies that the budget base for FY06 is \$64.033 million and for FY07 is \$66.533 million.

(b) Specifies that in FY04 and FY05 \$55.933 million is for operations of the bus system. States that this appropriation reflects a reduction of \$6.953 million below the budget base each year and that to the greatest extent feasible the council must first reduce administration and planning and metro commuter services before making any reductions to regular route operations or metro mobility services.

(c) Specifies that in FY04 \$5.6 million and in FY05 \$7.8 million is for operations of the Hiawatha LRT line and establishes a budget base of \$8.1 million for FY06 and \$10.6 million for FY07.

(d) Requires the council to report to the chairs of the senate and house of representatives committees with jurisdiction over transportation policy and finance by December 15 each year, regarding the distributions and impacts of the base budget reductions. Requires the report to include a description of program activities with reduced spending levels and the impacts on transit service levels and the performance of the regular route and metro mobility systems. The report must identify the total number of positions which were reduced or eliminated, the number reduced from each bargaining unit represented by the council and the impact on women and minorities.

## **Section 4. PUBLIC SAFETY.**

### **Subdivision 1. DPS Total Appropriations.**

#### **Subd. 2. Administration and Related Services.**

- (a) Appropriates \$385,000 in FY04 and FY05 for the office of communications.
- (b) Appropriates \$6.845 million in FY04 and \$6.850 million in FY05 for public safety support. Specifies that \$365,000 the first year and \$370,000 the second year is for payment of public safety survivor benefits, \$314,000 each year is for the public safety officer's benefit account, and \$508,000 each year is for soft body armor reimbursements.
- (c) Appropriates \$2.454 million in FY04 and FY05 for technical support services.

#### **Subd. 3. State Patrol.**

- (a) Appropriates \$57.024 million in FY04 and FY05 for patrolling highways.
- (b) Appropriates \$6.474 million in FY04 and FY05 for commercial vehicle enforcement.
- (c) Appropriates \$2.834 million in FY04 and FY05 for capitol security. Specifies that this appropriation reflects reduction of \$776,000 each year from the budget base and requires at least \$287,000 of this reduction to be from expenditures for executive protection. Prohibits the commissioner from expending any money from the trunk highway fund for capitol security or from permanently transferring any state trooper from patrolling highways to capitol security. Prohibits the commissioner from transferring any money appropriated to the department to capitol security.

#### **Subd. 4. Driver and Vehicle Services.**

- (a) Appropriates \$12.452 million in FY04 and FY05 for vehicle services.
- (b) Appropriates \$24.363 million in FY04 and FY05 for driver services.

**Subd. 5. Traffic Safety.** Appropriates \$324,000 in FY04 and FY05 from the trunk highway fund for traffic safety.

**Subd. 6. Pipeline Safety.** Appropriates \$994,000 in FY04 and FY05 from the special revenue fund for pipeline safety.

**Subd. 7. Budget Base Reduction Report.** Requires the Commissioner of Public Safety to report to the chairs of the senate and house of representatives committees with jurisdiction over transportation policy and finance by December 15 each year, regarding the distributions and impacts of the base

budget reductions. Requires the report to include a description of program activities with reduced spending levels and the impacts on the department's performance. The report must identify the total number of positions which were reduced or eliminated, the number of positions reduced from each bargaining unit represented by the department and the impact on women and minorities and the department's affirmative action goals.

## **Section 5. FINANCE.**

**Subd. 1. Bond Sale Expenses.** Appropriates \$110,000 in FY03 from the bond proceeds account in the trunk highway fund to the Commissioner of Finance for bond sale expenses.

**Subd. 2. Bond Sale Authorization.** Authorizes the Commissioner of Finance to sell and issue bonds in the amount of \$110.110 million to provide the money appropriated in section 2, subdivision 6 and section 5, subdivision 1. Requires the proceeds to be deposited in the bond proceeds account of the trunk highway fund.

**Subd. 3. Transfers.** Requires the Commissioner of Finance to transfer \$15 million from the state airports fund to the general fund by June 30, 2003. Requires the commissioner to transfer \$7.5 million from the general fund to the state airports fund by June 30, 2007 and an additional \$7.5 million by June 30, 2009.

**Section 6. GENERAL CONTINGENT ACCOUNTS.** Appropriates \$375,000 in FY04 and FY05 for contingencies related to the trunk highway, highway user and airport funds.

**Section 7. TORT CLAIMS.** Appropriates \$600,000 each year from the trunk highway fund to the Commissioner of Finance for tort claims.

## **ARTICLE 2 TRANSPORTATION FINANCE**

**Section 1. Passenger Vehicle, Registration Tax.** Changes the depreciation schedule for the passenger vehicle registration tax to be 100 percent of base value in the first year; 80 percent in the second year; 70 percent in the third year; 60 percent in the fourth year; 50 percent in the fifth year; 40 percent in the sixth year; 35 percent in the seventh year; 30 percent in the eighth year; 20 percent in the ninth year and 10 percent in the tenth year. Deletes language establishing maximum tax rates of \$189 in the second year and \$99 in the third year and on.

## **Section 2. Transit Ways Fund.**

**Subd. 1. Fund Created.** Establishes a transit ways fund consisting of money credited to the fund under section 297B.09, subdivision 1 (MVST proceeds) and other money as appropriated by law.

**Subd. 2. Uses of Fund.** Specifies that money in the fund must be appropriated for public transit purposes in the following order of priority: (1) paying principal and interest on bonds issued for

transit ways; (2) for other transit capital including bus acquisition; (3) operating assistance to transit service on transit ways; and, (4) operating assistance to regular route transit services.

**Subd. 3. Definition.** Defines "transit way" to mean (1) a transportation facility dedicated exclusively for use by public transit vehicles and (2) lanes on public highways reserved for use by transit vehicles including buses, carpools and vanpools.

**Section 3. Rate of Gasoline Tax.** Increases the gasoline excise tax rate from 20 cents per gallon to 25 cents per gallon and increases the tax rate on E85 and M85 by an equivalent percentage.

**Section 4. Rate of Special Fuel Tax.** Increases the special fuel excise tax rates by an equivalent percentage increase as the increase in the gasoline excise tax rate in section 3.

**Section 5. Deposit of Motor Vehicle Sales Tax Revenues.** Requires 32 percent of the revenues from the sales tax on motor vehicles to be deposited as follows: 18 percent in the highway user tax distribution fund, 25.5 percent in the metropolitan area transit fund, 2.25 percent in the Greater Minnesota transit fund and 8 percent in the transit ways fund.

## **Section 6. Highway Construction Appropriation.**

### **Subd. 1. State Road Construction.**

(a) Appropriates \$100 million in FY04 and \$107 million in FY05 for state road construction.

(b) Specifies that one-half of the appropriation must be used within the metropolitan area primarily for bottlenecks and interregional corridors and also may be used for accelerating transit capital improvements on trunk highways.

(c) Specifies that one-half of the appropriation is for trunk highway improvements outside the seven county metropolitan area, primarily for improving segments of at-risk interregional corridors.

(d) Allows the commissioner to use up to \$15 million in FY04 and \$16 million in FY05 for program delivery.

### **Subd. 2. Local Road Construction.**

(a) Appropriates \$54 million in FY04 and \$58 million in FY05 for county state-aid highways.

(b) Appropriates \$14 million in FY04 and \$15 million in FY05 for municipal state-aids.

(c) Specifies that these appropriations are in addition to any other appropriation made by law for these purposes.

**Subd. 3. Advance Construction.**

(a) Allows the commissioner to spend, through June 30, 2005, up to \$250 million on trunk highway improvements approved by the federal highway administration and designated as advance construction funds.

(b) Requires the commissioner to report to the chairs of the senate and house of representatives committees with jurisdiction over transportation policy and finance by January 15 each year regarding the use of advance construction funding in the previous and current fiscal year. Requires the report to include an analysis of the impact on the use of advance construction on the trunk highway fund balance and cash flow and to include an estimate of the amount of additional advance construction funding that is available for use in future fiscal years and the impact on the department's total road construction program.

**Subd. 4. Project Accelerations.** Requires the commissioner to utilize the appropriations in subdivisions 1 and 2 to accelerate the time-lines for completion or performance of the following trunk highway projects:

- (1) reconstruction of the I-35E/I-694 interchange;
- (2) reconstruction of trunk highway 14 from Janesville to Waseca;
- (3) safety improvements on trunk highway 5 in Lake Elmo and Baytown;
- (4) reconstruction of the trunk highway 95 bridge over I-35W in North Branch;
- (5) reconstruction of trunk highway 65 from I-694 to 245<sup>th</sup> Avenue;
- (6) plans and environmental studies for trunk highway 10 between Coon Rapids and Ramsey; and
- (7) plans and environmental studies for trunk highway 10 between Ramsey and Big Lake.

**Section 7. Effective Dates.** Specifies that section 1 is effective for first registrations in this state occurring on or after July 1, 2003 and for renewals of registrations that have been assigned expiration dates of August 2003 or later. Specifies that sections 2 to 6 are effective July 1, 2003 and sections 3 and 4 apply to gasoline and special fuels in distributor storage on that date.

**ARTICLE 3  
TRANSPORTATION POLICY**

**Section 1. Use of Greater Minnesota Transit Fund for transit operations.** The Commissioner of Transportation must use money in the greater Minnesota transit fund for operating assistance for public transit systems and for related program administration.

**Section 2. Increase in allowable appraisal reimbursement to landowner.** An owner of private property that is purchased by Minnesota Department of Transportation (MnDOT) is entitled to



reimbursement of appraisal fees up to \$1,500, rather than the current maximum reimbursement of \$500.

**Section 3. Definition of "interregional corridor."** Interregional corridors are commissioner-designated trunk highways, or high-priority principal or minor arterials, and connect the metropolitan area with regional trade centers.

**Section 4. Cooperation with adopt-a-highway.** Road authorities must reasonably coordinate right-of-way activities with clean-up work by volunteers in programs such as adopt-a-highway.

**Section 5. HOT (high-occupancy toll) lane authorization.**

**Subdivision 1** The commissioner, after consulting with the metropolitan council and obtaining any required federal authorization, may charge single-occupant vehicles a user fee to use high-occupancy vehicle lanes.

**Subdivision 2** HOT-lane fees must be deposited in a high-occupancy vehicle (HOV) lane user fee account and used by the commissioner to administer the program. Excess is appropriated to the met council for transit and carpooling improvements within the corridor.

**Subdivision 3** The commissioner is exempt from statutory rulemaking requirements, from the provisions of toll facilities statutes, and from municipal consent laws.

**Subdivision 4** Violators are subject to petty misdemeanor laws.

**Section 6. Removal of prohibition of sales tax payment from trunk highway fund.** Sales tax is stricken from the list of expenses that do not further a highway purpose.

**Section 7. Contracts between MnDOT and tribes for highway purposes.** The commissioner may contract with tribal authorities for maintenance, design, and construction of highways on tribal lands. Contracts may include a waiver of immunity by the tribe and consent to state district court jurisdiction over related lawsuits.

**Section 8. County designation of vacated county highway as cartway.** A county may designate a former county highway as a cartway, on which road and bridge fund money may not be used without a county determination that the expenditure is in the public interest. A vacated county highway may not revert to a town, except through existing statutory process.

**Section 9. Transfer of jurisdiction over county highway.** A county board may transfer ownership of a county highway to another road authority by agreement. A county highway may revert to a town only through existing statutory process.

**Section 10. Town cartway establishment.** A town must establish a cartway when the only access to property is by navigable waterway.

**Section 11. Two sets of special license plates for volunteer ambulance attendants.** The registrar may issue two sets of special license plates. Current law authorizes only one set.

**Section 12. License plate and validation sticker fees.** License plate and validation sticker fees, calculated to cover the cost of manufacturing and issuing the plates are increased and specified in statute. Current fees are set forth in a part of Minnesota Rules that is repealed in section 43.

**Section 13. Increase in motor vehicle transfer fee.** The fee collected by the Commissioner of Public Safety on motor vehicle transfer is increased from \$2 to \$3.

**Section 14. Increase in certificate of title fee.** The fee collected by the commissioner for issuing an original or new certificate of title after motor vehicle transfer is increased from \$2 to \$3.

**Section 15. "School zone" definition.** The existing definition of "school zone" is moved from the school zone speed subdivision to the definition section of statute.

**Section 16. Driver stop required after accident resulting in alleged bodily injury.** A driver of a vehicle must stop after involvement in an accident resulting in alleged bodily injury. The driver must remain at the scene until notifying law enforcement and fulfilling other existing statutory obligations.

**Section 17. School zone speed limit.** The speed limit in a school zone is 25 miles per hour.

**Section 18. Exempting school zones from engineering and traffic investigation requirement.** Change in school zone speed limit need not be based on traffic and engineering study. School speed zone limits are absolute limits.

**Section 19. Modification of school zone speed limits.** Off the trunk highway system, a local road authority and school board can lower a school zone speed limit below 25 mph. On a trunk highway, the commissioner and a school board can, by agreement, raise or lower the limit.

**Section 20. Surcharge for state trooper training.** Requires a person who violates a traffic or motor vehicle law and who is apprehended by the state patrol, to pay an assessment of \$25 in addition to the fine otherwise imposed.

**Section 21. Graduated driver's Licensing – ineligibility for full license.** A provisional license holder who is 16 or 17 years old may not obtain a full license if the driver has had within the past 12 months, a moving violation, whether or not crash-related, or a violation of provisional-licensing restrictions. If a disqualifying violation occurred during provisional licensure, the applicant for a license must complete six hours of behind-the-wheel training.

**Section 22. Restrictions on use of provisional driver's license.** A provisional license holder may not drive: unless every passenger under the age of 18 is wearing a seat belt (current law); between midnight and 5:00 a.m., unless accompanied by a parent or driving to/from work or a school or religious activity; or with more than one passenger under the age of 18, except family members.

**Section 23. Increase and reallocation of drivers' license reinstatement fees.** Fee for reinstatement after DWI or criminal vehicular homicide/injury offenses is increased from \$250 to \$300. The fee is reallocated as follows: 17 percent (currently 20 percent) to the trunk highway fund; 56 percent (currently 67 percent) to general fund; seven percent (currently eight percent) to Bureau of Criminal Apprehension; and 20 percent (currently five percent) to the traumatic brain injury and spinal cord injury account. Money in the latter account is reallocated as follows: 86 percent (currently 35 percent) for organizations that provide support to people with traumatic brain injuries, and 14 percent (currently 65 percent) for traumatic brain injury and spinal cord injury registry.

**Section 24. Forecast of revenues and expenditures.** The Commissioner of Transportation, with the Commissioner of Finance, must prepare a semi-annual forecast of highway user tax distribution fund and trunk highway fund revenues and expenditures. Forecasts must include economic information, growth rate, bonding, and federal funds. The commissioner must review the forecasts and any subsequent changes with legislative committee transportation chairs and staff.

**Section 25. Safe Routes to School grants.**

**Subdivision 1** defines "safe routes to school program" to enhance safety of students walking or bicycling to school.

**Subdivision 2** requires the commissioner to grant at least two percent of federal transportation enhancement funds after 2007 to the Minnesota safety council for grants to school districts for safe routes to school programs. A grantee school district must pay the 20 percent required local match.

**Subdivision 3** specifies conditions for the grants, which must be awarded through a competitive process. The safety council must report annually to the commissioner on the use of the grant money.

**Section 26. Greater Minnesota transit fund included in public transit participation program.** A reference to the greater Minnesota transit fund is added to the statutory public transit subsidy program.

**Section 27. Requirement of local source payment of transit operating costs to obtain public transit subsidy.** Local source requirements to receive public transit subsidy are changed to 20 percent (currently 40 percent) for urbanized area and small urban area service, 15 percent (currently 35 percent) for rural area service, and 15 percent (currently 35 percent) for elderly and handicapped service. Property tax replacement aid is not considered a local source. The commissioner may not change the recipient's percentage for undue hardship for more than two successive years.

**Section 28. Transportation utility fee.**

**Subdivision 1** defines the terms municipality, governing body, reconstruction, facility upgrade, and maintenance.

**Subdivision 2** authorizes a municipality to impose a transportation utility fee against privately-owned land located within its boundaries.

**Subdivision 3** allows a municipality, after notice and public hearing, to impose the fee upon a two-thirds vote of the governing body.

**Subdivision 4** requires the ordinance to provide for billing and payment of the fee. An unpaid fee may be collected as a special assessment against the property.

**Subdivision 5** prohibits a municipality from imposing a fee unless a master plan has been adopted.

**Subdivision 6** limits use of the fee to projects listed in the master plan. Revenues beyond master plan estimates may not be accumulated.

**Subdivision 7** requires the fee to be based on trip generation rate for each type of land use.

**Subdivision 8** specifies an appeal process for a property owner objecting to the fee or trip generation rate. The governing body's decision may be appealed to the tax court.

**Subdivision 9** states that the transportation utility fee does not restrict the municipality from imposing special assessments, issuing bond debt, or levying property taxes.

The section is effective for fees payable in 2004 and thereafter.

**Section 29. Property tax replacement aid does not reduce levy limit.** Property tax replacement aid is stricken from the aids that reduce a local government unit's property tax levy limit.

**Section 30. Limiting reimbursement to public employer for cost of continuing insurance for injured public safety officer's continued health insurance.** The commissioner must reimburse the public employer with a pro rata share of funds in the public safety officer's benefit account, which may be less than full reimbursement for the continued insurance cost. The employer must apply for reimbursement by August 1 for the preceding fiscal year.

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**Section 31. Fines and forfeited bail money.** Specifies that the revenue collected from the surcharge in section 1 must be credited to the trooper training account.

**Section 32. Creation of trooper training account and appropriation.** A trooper training account is created in the special revenue fund, to receive state patrol fine surcharges. Funds in the account are appropriated to the Commissioner of Public Safety for trooper training. The commissioner must provide information on revenues and use of the fund, in the department's biennial budget.

**Section 33. Local contribution for airport improvement; maximum transfer to hangar construction revolving loan account.** The required local contribution when state and local funds only are to be used is ten percent (currently 20 percent). The local contribution where federal, state, and local funds are to be used is five percent (currently ten percent). The commissioner must transfer up to \$5.4 million (currently \$4.4 million) from the state airports fund to the hangar construction revolving loan account.

**Sections 34 and 36. Aeronautics appropriations available five years.** These sections amend 1999 and 2001 aeronautics appropriations, to make funds available for five years after the appropriation.

**Section 35. Removing sunset of utility vehicle gross weight restriction exemptions.** The sections of law, which will continue in force, exempt certain utility vehicles from statutory gross weight restrictions.

**Section 37. Change in highway name.** A reference to CSAH Highway 90 is changed to Forest Highway 11.

**Section 38. Interim pavement striping during highway construction.** The commissioner must remove certain provisions of the Minnesota Manual on Uniform Traffic Control Devices that require interim pavement striping during highway construction.

**Section 39. Bus rapid transit study.**

**Subdivision 1** requires the met council and MnDOT to study the feasibility of implementing bus rapid transit in the I-35W corridor from downtown Minneapolis to Lakeville.

**Subdivision 2** directs the commissioner to appoint a joint powers board, representing the cities, employers and transit riders in the corridor, neighborhoods, and transit providers. The board will provide advice on the study design, methodology, and recommendations.

**Subdivision 3** must analyze the costs and benefits of a bus rapid transit system that features frequent operation on exclusive right-of-way, design elements to allow for fast boarding, accessible station locations, traffic management improvements, and timely connections with existing transit services.

**Subdivision 4** requires, by December 10, 2004, the submission to the legislature of a study with recommendations relating to costs and benefits of options for implementing bus rapid transit in the I-35W corridor.

**Section 40. Brooklyn Center transit center.** The metropolitan council must construct and maintain a Brooklyn Center transit center, which must be operational by June 1, 2004.

**Section 41. Itasca County land exchange.** Itasca county may acquire real property for county highway maintenance facilities, by exchange without advertising for bids.

**Section 42. Repealer.** This section repeals:

- Minnesota Statutes, section 16A.88, subdivision 3, which creates the metropolitan area transit appropriation account.
- Minnesota Statutes, section 174.242, which provides for property tax replacement aid.
- Minnesota Rules, part 7403.1300, which prescribes license plate and validation sticker fees.

BB/AV:rer

# Five-Year Comparison of Senate vs. Governor Transportation Plan

## Senate's Plan

\$585 million in new revenues from registration fees

\$820 million in new revenues from the gas tax

\$550 million in Advance Federal Construction Funds

No debt service required

Cuts to department administration totaling \$150 million over five years

\$150 million in additional road construction expenditures funded from departmental cuts

Sharing of new transportation revenues between trunk highways, local roads and transit operating capital

**Senate's Five-Year Total: \$2.4 billion**

Total New Transportation Revenues: \$1.4 billion (revenues that would not otherwise have been available)

Total Trunk Highway Road Construction Revenues: \$1.3 billion

Total Debt Service: \$0

Total Local Road Revenues: \$395 million distributed:

\$313 million to county state-aid highways

\$ 82 million to municipal state-aid highways

Total Transit Revenues: \$445 million distributed:

\$159 million to Metropolitan Council transit operations

\$ 32 million to Greater Minnesota transit

\$254 million to Transit Ways capital and operating statewide

## Governor's Plan

\$550 million in Advance Federal Construction Funds

\$550 million in Trunk Highway Bonds

\$183 million in Debt Service payments over five years, over 20 years debt service payments total \$858 million, requiring \$308 million in interest payments

Cuts to department activities including road maintenance, snow and ice removal, rest areas and pavement striping totaling \$210 million over five years

\$125 million in additional road construction expenditures funded from departmental cuts

**Governor's Five-Year Total: \$1.4 billion**

Total New Transportation Revenues: \$0 (revenues that would not otherwise have been available)

Total Trunk Highway Road Construction Revenues: \$1.1 billion

Total Debt Service: \$183 million

Total Local Road Revenues: \$0

Total Transit Revenues: \$0

